

**Agenda Item: 10-7A**

**Meeting Dates: June 9 and 10, 2004**

**CONSIDERATION OF A RESOLUTION APPROVING ECOSYSTEM RESTORATION  
PROGRAM GRANTS AND AUTHORIZING THE DIRECTOR, OR DESIGNEE TO  
PROCESS THE APPROVED GRANTS**

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**Summary:** This resolution would approve three grants for ecosystem restoration projects, totaling \$1,440,788 that further the Ecosystem Restoration Program and finding that each is exempt from CEQA compliance. The three projects these grants will support are described in Attachment 1.

**Recommended Action:** Staff recommends that the Authority adopt the attached Resolution 04-06-04.

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**Background**

The Ecosystem Restoration Program (ERP) is continuing its review of ecosystem research and restoration projects seeking grant funds from the Authority. Three are being presented for action today.

These proposals initially were submitted in response to the ERP's 2002 Proposal Solicitation Packages (PSP). They were not selected for funding then, but the Selection Panel recognized that they were potentially high priority projects and recommended they be reconsidered after the proposals were revised to correct shortcomings identified during their review. Revised proposals for these projects were resubmitted, have been favorably reviewed by independent technical experts, offered for public comment by local governments and other stakeholders, and are recommended for approval by the Selection Panel.

Attachment 1 describes each project, how it helps achieve the ERP's goals, the reasons for the Selection Panel's funding recommendation, and important issues raised by agency and public comments on the proposal. The full proposals, their reviews, and public and agency comments on them are on-line at:

<http://calwater.ca.gov/Programs/EcosystemRestoration/Ecosystem2002DirectedAction.shtml>

The Bay-Delta Authority Act specifies that the Authority may disburse funds through grants (Water Code § 79420(a)(6)). These grant proposals are being recommended for funding based on the following selection criteria

- The grant proposal is for an eligible project within the meaning of Proposition 204 (Water Code, § 78684) because it is a project or program, or an element of a project or program, intended to improve and increase aquatic and terrestrial habitats and improve ecological functions in the Bay-Delta ecosystem.
- The grant proposal meets the goals and objectives of the CALFED Program.
- The grant proposal meets the detailed specifications contained in the 2002 PSP or the draft Stage 1 Implementation Plan and adequately addresses comments made by the Selection Panel.

The Selection Panel is completing its reviews of three revised proposals remaining from those initially submitted in response to the 2002 PSP. They will be presented to the Authority later this year.

### **Fiscal Information**

These grants are being presented to the Authority for approval of funding. In the California Bay-Delta Authority's fiscal year 2003/2004 budget, the Authority received \$48,531,000 from Proposition 204's Bay-Delta Ecosystem Restoration Account (Water Code, § 78684.6. Accordingly, the Authority has approval responsibility for these funds in its budget and is being asked to make the final funding decisions for these grants.

**Funding Source:** Proposition 204

**Term of Grant:** Grants may extend up to 3 years

**Total Amount:** \$1,440,788

### **List of Attachments**

Attachment 1 – Description of three ecosystem restoration grants  
Resolution 04-06-04

### **Contact**

Dan Castleberry  
Deputy Director for Ecosystem Restoration

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### Ecosystem Restoration Project Descriptions

1. *Expanded Prevention, Detection, and Control of Purple Loosestrife in the California Bay-Delta Authority Watershed*

**Grant Amount:** \$328,136

**Recipient:** California Department of Food and Agriculture

**Background:** The proposal seeks \$457,162 to continue the Department of Food and Agriculture's program to survey, control, and monitor purple loosestrife, a weed that is invading the Bay-Delta watershed. The Selection Panel recommends funding in part for the project's survey, control and monitoring tasks. Funds were not recommended for trials of alternative control treatments or for public outreach efforts.

Purple loosestrife is an aggressive, nonnative plant. The most threatening loosestrife infestations in the Bay-Delta watershed are in the Delta and the Tuolumne River watershed. The weed displaces native plants and animals, damaging habitat for waterfowl, cranes, and aquatic life. The project continues a four-year old program to identify infestations and control them with weedkillers and other practices.

The project's survey and control actions received favorable reviews, but reviewers expressed concerns about the design of trials of alternative control practices. No public comments were received on it.

2. *Sacramento River Restoration: Chico Landing Sub-Reach (RM 178-206).*

**Grant Amount:** \$693,657

**Recipient:** The Nature Conservancy

**Background:** The proposal seeks \$5.011 million to restore 1,056 acres of riparian habitat along the Sacramento River in the river's in the Chico Landing subreach near Hamilton City. The Selection Panel recommends partial funding the project, with conditions to (1) eliminate funding for a parcel whose restoration is being planned through the Hamilton City levee setback project and (2) specify additional steps in developing and approving the restoration plan for the area. These steps include coordination of project planning with the Authority's compliance with the California Environmental Quality Act (CEQA) and appropriate notification of local governments for parcels with Williamson Act contracts. The funds provided are only that portion of the amount recommended by the Selection Panel sufficient to complete the site's restoration plan, to carry out research activities, and to prepare environmental documents required by CEQA. The Authority's consideration of the remaining funds to implement the restoration plan will await preparation of environmental documents for the project.

Restoring the Sacramento River's riparian habitats is a high priority. It can expand habitat for songbirds, like bank swallow and yellow billed cuckoos. Restoring the Sacramento's riverbank meander processes will improve habitat used by migrating salmon and steelhead, too. The project contributes to implementation of regional restoration plans for the Sacramento River, including the *Sacramento River Conservation Area Forum Handbook* and management plans for the Fish and Wildlife Service's (USFWS) Sacramento National Wildlife Refuge Complex, within which the Conservancy's restoration project will occur. The parcels to be restored were previously purchased with funds from the USFWS or the CALFED Bay-Delta Program. The project builds on more than 3,000 acres of habitat restoration that has already occurred along the Sacramento River between Red Bluff and Colusa. Reviewers gave the project excellent to good ratings.

The Sacramento River Conservation Area Forum commented that the project is consistent with the principles and guidelines of its Handbook, that adjoining landowners have been notified, and Federal, State and local agencies were consulted about the project through various public forums. The USFWS endorsed the project. Letters from the Departments of Conservation and Food and Agriculture urge assessment of the conversion of farmland to habitat by the project and careful compliance with the Williamson Act on parcels within agricultural preserves. Withholding a decision about funds for implementation of the restoration plan until CEQA is complied with responds to these concerns.

3. *Cosumnes River Preserve Perennial Pepperweed Control Project*

**Grant Amount:** \$418,995

**Recipient:** University of California, Davis

**Background:** The proposal seeks \$418,995 to control pepperweed, an invasive plant that is infesting riparian areas and wetlands in the Cosumnes River Preserve. The project will survey pepperweed infestations, test different pepperweed control practices, including use of different weed killers in combination with mowing and other mechanical control practices.

Pepperweed is an aggressive plant that prospers in riparian areas and wetlands. Its infestation in the Bay and Delta are expanding. Because it invades disturbed areas, it is an especial threat to restored marshes and riparian habitats. UCD's project will provide information about the factors that affect pepperweed's expansion and the most effective ways to control it.

The project received good ratings from technical reviewers. The Selection Panel recommends conditions to address shortcomings identified in the reviews:

1. Targeted *Lepidium* control research. Objective 2 should include these additional features in the experimental design:
  - a. The herbicide Tryclopypyr, which should be registered for use by April 2004, should be evaluated along with Chlorsulfuron and Glyphosate.

b. The tarping trials should also include treatments of mowing and discing without tarping. Vegetation response should include both passive and active revegetation approaches.

c. The monitoring of soil chemistry should include N, P and K levels and be related to the process of revegetation.

2. Adaptive management framework. The project's adaptive management framework should be revised to develop and test models related to spatial processes. They should include the effect of various factors (hydrology, soil, vegetation) on spread rate dynamics, and age/stage structure and demography as applied to internal patch structure and geometry. A stronger linkage between experimental treatment with a more comprehensive demographics analysis is warranted.

No public comments were received on the proposal.

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**CALIFORNIA BAY-DELTA AUTHORITY**  
**RESOLUTION 04-06-04**

**APPROVING ECOSYSTEM RESTORATION PROGRAM GRANTS AND  
AUTHORIZING THE DIRECTOR, OR DESIGNEE  
TO PROCESS THE APPROVED GRANTS**

**WHEREAS**, the Ecosystem Restoration Program presents a comprehensive vision for improving and increasing aquatic and terrestrial habitats and improving ecological functions in the Bay-Delta ecosystem; and

**WHEREAS**, those State and Federal agencies with CALFED Program restoration funds have coordinated their efforts to solicit for, and select, the best projects to implement the Ecosystem Restoration Program, with assistance of the staff from the California Bay-Delta Authority; and

**WHEREAS**, the Authority has received an appropriation of Proposition 204 Bay-Delta Ecosystem Restoration Account funds in its Fiscal Year 2003/2004 Budget; and

**WHEREAS**, the Authority may distribute funds through grants; and

**WHEREAS**, the three proposals listed below constitute eligible projects for purposes of receiving Proposition 204 Bay-Delta Ecosystem Restoration Account funds; and

**WHEREAS**, the three proposals listed below meet the objectives of the CALFED Program; and

**WHEREAS**, approval of these three grant proposals shall be conditioned upon each grantee complying with all applicable laws and regulations;

**NOW, THEREFORE, BE IT RESOLVED** that the Authority hereby finds that each of the grants listed below are exempt from CEQA and approves grants to the projects listed below, and authorizes the Director or his designee to process the approved grants, subject to the availability of appropriated funds:

- \$328,136 to the California Department of Food and Agriculture for its project Expanded Prevention, Detection, and Control of Purple Loosestrife in the California Bay-Delta Authority Watershed, in accordance with the recommendations of the Selection Panel.
- \$693,657 to The Nature Conservancy for its project Sacramento River Restoration: Chico Landing Sub-Reach (RM 178-206), subject to the conditions noted in Attachment 1 and in the Selection Panel's recommendation.
- \$418,995 to the University of California, Davis for its project Cosumnes River Preserve Perennial Pepperweed Control Project, subject to the conditions recommended by the Selection Panel.

## **CERTIFICATION**

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Bay-Delta Authority held on June 10, 2004.

**Dated:** \_\_\_\_\_

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**Heidi Rooks**  
**Assistant to the California Bay-Delta Authority**